



# Case Studies

A Case Study of Promising Vocational Rehabilitation Agency Practices in Improving Employment Outcomes for Individuals with Mental Illness

Creating a Sustainable Partnership: Utilizing a Medicaid Billing Code as a Stable Source of Funding for Supported Employment Services

**Oregon Office of Vocational Rehabilitation Services**

## Abstract

The Oregon Office of Vocational Rehabilitation Services (OVRs) and the Addictions and Mental Health (AMH) Division partner to provide Supported Employment (SE) services to shared customers with mental illness (MI). The partnership focuses on coordinating service delivery across agencies, utilizing a sustainable funding scheme, monitoring quality of services through fidelity reviews, and collaborating with a local university. OVRs and AMH also utilize a cost-benefit analysis to measure the impact of SE programs.

## Background

When the Oregon Office of Vocational Rehabilitation (OVRs) began providing evidenced-based supported employment (SE), these services were funded by two one-year grants. When evidenced-based supported employment was first implemented in OVRs, SE services were provided to individuals with psychiatric disabilities. OVRs did collaborate with the Mental Health Central Office, but at a lesser extent than it does today.

Since the 2000's, OVRs expanded upon their SE services by partnering with the Addictions and Mental Health (AMH) division and by joining the Johnson and Johnson – Dartmouth Community Mental Health Program, becoming one of the first states to implement the Individual Placement and Support (IPS) model of SE. Ever since, OVRs has collaborated with AMH and over 17 county mental health programs in developing and sustaining supported employment services for people with mental illness (MI). As part of the program in 2002, AMH received grant funds to partner with OVRs and establish IPS programs in Oregon's Mental Health Organizations (MHOs) and community mental health programs.

When the Johnson and Johnson – Dartmouth funding ended in 2005, OVRs and AMH stepped in to sustain the SE programs in two long-standing community

This case study is an excerpt of a larger report, entitled "Vocational Rehabilitation Agencies Helping People With Psychiatric Disabilities Get Employed: How Far Have We Come? How Far Do We Have to Go? Case Studies of Promising Practices in Vocational Rehabilitation" from the Rehabilitation Research and Training Center (RRTC) on Vocational Rehabilitation at the Institute for Community Inclusion, University of Massachusetts Boston. The full report can be found at [www.vr-rrtc.org](http://www.vr-rrtc.org). Its suggested citation is:

Marrone, J., Cala, M.L., Haines, K., Boeltzig, H. & Foley, S. (2013). *Vocational Rehabilitation Agencies Helping People With Psychiatric Disabilities Get Employed: How Far Have We Come? How Far Do We Have to Go? Case Studies of Promising Practices in Vocational Rehabilitation*. University of Massachusetts Boston, Institute for Community Inclusion.

mental health programs: Options for Southern Oregon and Lifeworks Northwest. This same year, OVRs began the Oregon Competitive Employment Project (OCEP), funded by a Medicaid Infrastructure Grant (MIG). One of the primary objectives of OCEP was to expand SE services across the state.

In 2006, OVRs, OCEP and AMH provided Medicaid Infrastructure Grant (MIG) supported "mini-grants" to local mental health programs in an effort to initiate and sustain SE programs in seven counties. OCEP also funded Options of Southern Oregon and Lifeworks Northwest to provide training and technical assistance on SE to local mental health providers. In 2008, AMH received funding through a Medicaid billing code, which allowed SE services through the IPS model to be billed to Medicaid by AMH, and a grant from Oregon's general fund to aid individuals without insurance. This money provided the stability for the IPS programs to expand and become more stabilized.

## Purpose, Goals, and Implementation

The purpose of the partnership between OVRs and AMH is to sustain and expand the availability of SE services with the goal of improving employment outcomes for people with MI. The partnership focuses on coordinating service delivery across agencies, utilizing a sustainable funding scheme, monitoring

quality of services through fidelity reviews, and collaborating with a local university.

**Access to supported employment services:** As of May 2012, IPS SE services are offered in 21 out of 36 counties across the state of Oregon. When asked about statewide access to SE services one of our key informants explained that first, it would not be likely for someone to travel from a county that did not offer SE services to one that did, and secondly, that "...it's not an even distribution around the state, as far as population. Some of our counties have a lot of people and some of them almost nobody lives in..." This statement underlines the notion that looking at statewide access services by number of counties with SE programs is just one of many ways to examine availability of SE across the state.

When using population to examine access to SE services, one key informant stated that the densely populated areas of Portland and Salem have, anecdotally, the least amount of access to SE services. These two cities, although offer supported employment, have the greatest need across the state and small SE programs that can't keep up with the demand for services. One key informant explained:

*You could say, ok well, in this really rural county there's maybe a hundred people with serious mental illness and they have zero access to supported employment (...) but in the metro area there's like 5,000 people with serious mental illness and there's two employment specialists in town. They can only serve 20 people at a time, so, depending on how you look at it, the need is greater in one area or the other.*

For the counties that do offer SE services, they are offered only to individuals who are eligible for Medicaid. Individuals who are not Medicaid eligible can receive general employment services from OVRs. These individuals are less likely to have serious mental illness (SMI).

One community mental health center, Central City Concern, delivers employment services to individuals with substance abuse issues. This center is located in Portland and includes a staff of ten employment specialists. As one of our key informants explained,

*They're the only agency around the state that's really starting to offer [services] to people that don't have a severe mental illness. I guess we've softened that definition in Oregon a little bit, too. So...they use the word "serious" mental illness (...) so it's kind of like they've broadened the access to services to people that meet the federal definition of serious mental illness, which is*

*almost any mental illness. (...) That kind of opens the door to people with...anything like depression or anxiety, or an Axis II diagnosis.*

Employment services are also offered to high school-aged youth through a grant-funded program named, the Early Assessment Screening and Treatment (EAST) program. Modeled after a program that started in Australia, the EAST program targets adolescents who exhibit early signs of psychotic illness and/or major depression. One of our key informants described the results of the program as follows:

*The results are remarkable because they do a lot of outreach, so they can educate people that when you see behavior that might look sort of like an unruly or a grouchy teenager, that something else might be going on. [And also, they get] involved very early with the family and the young person [to provide] these kinds of wrap around services and education. These young people are not progressing to another episode. They're not dropping out of school and they're moving toward employment.*

The EAST program was first administered by a local mental health program, Mid-Valley Behavioral health, and has since expanded to over 20 sites around the state. OVRs provides funds for capacity building related to employment, of which are linked to a five-year innovation and demonstration grant from RSA. In sum, access to supported employment services is most dependent upon Medicaid eligibility, followed by geographic proximity to a center that provides IPS SE services. There are some areas, however, that are beginning to expand the populations that they are delivering services to, such as individuals with drug or alcohol issues, and high school-aged youth.

**Coordinating referrals and service delivery:** Supported employment is a Medicaid billable service, so, referrals for these services generally come from the mental health system to VR. For clients new to the mental health system, they must become enrolled in their community mental health center, along with having an initial assessment conducted by a clinician to learn about their history and diagnosis. As soon as an individual indicates interest in employment, a referral should be made from the mental health center to VR for SE services. "From there it's really straight forward. ...the employment specialist will follow-up on their referral and begin working with the client and they go into rapid job search....," explained one key informant.

For individuals already in the mental health system, employment is offered during annual updates and further, "a client can be referred at any point in time during their service

duration at the mental health center.” If an individual does not indicate interest in employment during an annual update, s/he may self-identify for services via self-referral forms. These self-referral forms ask if the individual is interested in some form of employment, and if so, to provide contact information.

Once referred to VR, an individual will receive services from a VR counselor who works part-time at their local mental health program (yet operates primarily out of OVRs). At this time, there is no shared case management system between OVRs and AMH, however, the referral process can work expeditiously if the VR and MH systems constantly work together. One key informant explained that “if you work your system out and you have trust between the two programs, this is a very slick way to serve people.” To provide an example of how expeditious this process can be, our key informant provided an example:

*They may be doing placement services [to individuals] within the mental health system to get some things worked through before they come to VR (...) By the time they come to [VR], you've got information about what that person wants to do, what the support issues are, you've got your eligibility, and I certainly was able, when I worked a caseload to make the person eligible, [to] write a plan and get them back to the mental health program in about 48 hours.*

The 48-hour turn-around was made possible due to this former VR case manager building rapport with the mental health system by working anywhere between a half-day to a full-day a week in the mental health clinic: “I knew them, they knew me, which set a really nice foundation to do the work.”

The VR counselors who serve joint AMH customers in IPS model SE programs often possess an informal specialty in MI and an MH-heavy caseload. OVRs and AMH refer to these counselors with demonstrated interest and experience with MI as “dedicated counselors.” This is an informal role (as opposed to a formalized specialty VR counselor position) and the VR counselor carries an average caseload of 80 individuals, which is consistent with non-MH specialty counselors. The VR counselor serving SE participants works closely with the SE specialists housed in the MH programs and meets regularly to discuss employment services and goals.

The SE specialists are responsible for job development and placement services, including contacting potential employers, scheduling interviews, and negotiating the terms of a

potential job for the MH customer. SE specialists are able to provide intensive services to MH customers due to their small caseload size, usually around 20 individuals. When a customer has been working at a job for 90 days, the case is considered closed in the VR system and may request post-employment services at a later time. However, in the MH system, SE specialists continue to provide long-term supports while it is needed. This may take form as transportation services, benefits counseling, on-the-job training, or negotiating with the employer (e.g. negotiating promotions).

In 2008 (in response to news funds coming from AMH to support the SE program) the Director of OVRs fostered growth of Oregon's SE program by creating a standardized contract for all vendors. As a result, one of our key informants explained:

*...we were able to get many of our mental health programs around the state into a contract with VR, and that really helped them. Many of them never had a contract with VR... So that was a huge deal and just that VR was ready to kind of step up at that level.*

**Coordinating staffing roles and funding:** Since 2008, OVRs and AMH have utilized a Medicaid billing code that specifically covers the IPS model of SE for people with MI. Oregon wrote evidence-based practices into law in an effort to attach funding streams to services. In doing so, the IPS model of SE became the only employment service billable under Medicaid. The Medicaid billing code for SE services has proven to be a sustainable and stable source of funding, allowing OVRs and AMH to ensure continuity of service delivery for SE customers. In addition to Medicaid billing, OVRs is a consistent financial supporter of AMH SE programs. Most of the MH programs have outcome-based contracts with OVRs, under which OVRs provides a payment to the MH program when an individual receives a job placement. Payments are \$1,500 for a job placement and range from \$2,000 to \$3,500 when there is a successful closure with VR. Smaller payments, around \$200, may be given throughout this process for things like job preparation, but the large payments are saved for the milestones of job placement and closure. The amount given for outcome-based payment has increased since 2010 and according to one of our key informants, this increased reimbursement rate is “just a further indication of VR's commitment to supported employment.”

Fidelity reviews are also conducted on the SE programs. One

of the main goals of these reviews is to create consistency across the different MH programs. This is important due to the structure of the MH system. MH agencies are county-based (36 counties) and therefore are operated differently across the state (e.g., by county governments, by non-profit agencies, or by multiple providers). Therefore, the fidelity review has been set to a scale of 125 points with a benchmark of 100 points overall, not specifically contained to certain areas. MH programs that reach this benchmark will continue to receive funding. Reviewers from AMH and OVRs travel in pairs to the different agencies and compare scores to increase accuracy in the review process.

In 2007, the Oregon Supported Employment Center for Excellence (OSECE) was established as a statewide resource center on SE training and technical assistance (TA). OSECE provides technical assistance and training on evidence-based SE across MH programs in Oregon. As of 2010, OSECE has provided training and TA to 38 job developers with 17 county mental health programs, utilizing the Johnson and Johnson-Dartmouth Community Mental Health Program evidence-based IPS model<sup>1</sup>. The Director of OSECE is primarily responsible for developing working relationships between themselves, local VR offices, and local mental health agencies, in addition to clarifying the SE model that is currently being implemented by AMH. Other responsibilities of the Director include contract development for statewide policy decisions, creating a standardized approach to implementing supported employment, and providing TA to local VR agencies with the SE contract application process.

Additional trainings overseen by the OSECE Director include IPS SE trainings for all of the VR programs that partner with MH. The VR staff are also asked to meet monthly with SE program staff about caseloads and blending service delivery. OVRs and MH staff also attend "Three Cups of Tea" development training, a specific training for job development, based on a model developed by Dartmouth. Employment specialists around the state of Oregon receive this training and learn how to conduct informational interviews with employers to determine their needs and propose potential

employees that would be a good fit for the job. Further, OVRs has in-service training throughout the year that MH presents at and MH has an annual SE conference that VR staff are invited to attend. If there are specific issues at different sites MH aids in providing any necessary assistance, such as an overview of the IPS model. If a particular site is doing very well, they may be asked to share their experiences and reflect on what they have done to help the partnership operate in their area.

Currently, AMH contracts with the OSECE to provide assistance in the development of new SE programs as well as training, on-going technical assistance, and fidelity monitoring. According to a recent SE guide published by AMH, OSECE is assisting AMH (specifically mental health organizations (MHOs)) develop an SE implementation plan to meet the needs of MHOs in various service areas<sup>2</sup>. This may include regional programs and/or partnering with existing SE providers.

## Supporting Evidence

According to the key informant, this partnership has resulted in improved employment outcomes for individuals with MI. A cost-benefit analysis was conducted and examined the actual cost of providing SE services versus other services. Data from the employment department, the Medicaid service utilization records, and other similar sources were used in the analysis. The results of the cost benefit analysis demonstrated no decrease in hospitalization due to the provision of SE services. The reason for this being that "a lot of the people that were receiving services from a Community Supported Employment Program on their intake into supported employment were not people that were in and out of the hospital (...) it wasn't a population that was being hospitalized on intake." This result led Oregon to broaden the scope of their analysis; they looked into mental health centers' costs of providing SE services, along with outcome data: "[we saw] a significant jump in the number of hours that people worked and the hours that they worked after they had left the service", in addition to an increase in the earnings an individual received over a period of three months.

The OSECE plans to roll out a consumer satisfaction survey in the summer of 2012 as a follow-up to the previously mentioned study. The consumer satisfaction survey will reach out to the

1 Oregon Office of Vocational Rehabilitation Services (OVRs). (2010, June 30). State plan for the state vocational rehabilitation services program and state plan supplement for the state supported employment services program: Oregon office of vocational rehabilitation – DHR, children and family services state plan for fiscal year 2011. Salem, OR: Author. Retrieved from <http://tsa.ed.gov/view.cfm?rsaform=VR-State-Plan&state=OR&fy=2011&agency=G>

2 See: Addictions and Mental Health Division. (2011, June 29). Supported employment guidance for the adult mental health initiative (AMHI). Salem, OR: Author. Retrieved from <http://www.oregon.gov/OHA/mentalhealth/adult-initiative/main.shtml>

approximately 500 people who have graduated from the SE program with jobs in the last three to four years. In addition to client satisfaction, the survey will measure whether the individual is still employed. Additionally, MH collects data from their programs four times a year that reports on the previous three months about the number of customers who were served, who worked, who were in school, who graduated with their jobs, and the number of new job placements. Also, an individual who works for the state of Oregon tracks detailed information about each client's service utilization.

All of these data are collected and provided to all staff around the state as part of data transparency. Data transparency provides an incentive to increase performance across all of the sites and also allows sites that need extra help to be easily identified. These data are also presented to state leaders and legislatures and used in such presentations as budget sessions.

## Future Directions

Future directions for supported employment in Oregon are currently unknown. Oregon has recently received approval from the Obama Administration to implement a plan as a part of the Affordable Care Act. This plan has received approximately \$5.6B and focuses on services provided by Continuing Care Organizations (CCOs). To clarify, one of our key informants explained:

*In July of last year [2011] the Mental Health Division moved out of the Department of Human Services and moved to the Oregon Health Authority, and all of their services are contracted out to the county and now they'll be in the CCO.*

The majority of Medicaid dollars received by the state will be split up between the CCOs. CCOs are new entities that will be introduced in the state of Oregon, and will be responsible for providing behavioral and mental health services, in addition to dental care. The amount of time and money that the CCOs will spend on SE services is currently unknown:

*...supported employment has always been set aside, like fee-for-service, and it's no longer going to be set aside. It's getting lumped in with the bigger [funding] stream (...) These CCO's have more room for flexibility with the funds they receive because it's one big lump of money they get, and they get to decide where that goes.*

Until the role of the CCOs is more clearly defined, OVRS and AMH will continue to partner to deliver SE services. One area of the partnership open to development is the

establishment of data sharing mechanisms. Data points to track may include information about the number of shared customers, job placements, and job tenure. Additional future endeavors may include development of research studies that would be useful to the OVRS-AMH partnership such as examining the characteristics of successful job developers or identifying the long-term impact of services on transition-aged youth. Lastly, with regard to training and TA, the OSECE would like to expand upon their job development training efforts. According to one key informant, they would like to get "more in-depth with the different styles of job development; like job development to large corporations, small mom and pop stores, self-employment, or job proposals."

## Transferability

According to our key informant, one piece of the OVRS – AMH partnership that is unique (and possibly more difficult to transfer to other states) is that Oregon works directly with private non-profits who are contracted to provide mental health services – they do not go through the counties to provide these services. One aspect of the supported employment program in Oregon that does have potential for replication is a work group that was formed between OVRS, AMH, and the OSECE. This work group has met periodically to address issues of concern throughout the state for about 25 years. The evolution of topics that this group has covered include: employment for people with disabilities, supported employment, and IPS. According to our key informant, this work group has been "critical to [Oregon's] success as a state."

## References

- Addictions and Mental Health Division. (2011, June 29). Supported employment guidance for the adult mental health initiative (AMHI). Salem, OR: Author. Retrieved from <http://www.oregon.gov/OHA/mentalhealth/adult-initiative/main.shtml>
- Oregon Office of Vocational Rehabilitation Services (OVRS). (2010, June 30). State plan for the state vocational rehabilitation services program and state plan supplement for the state supported employment services program: Oregon office of vocational rehabilitation – DHR, children and family services state plan for fiscal year 2011. Salem, OR: Author. Retrieved from <http://rsa.ed.gov/view.cfm?rsaform=VR-State-Plan&state=OR&fy=2011&agency=G>

## INTERVIEWEE

Crystal McMahon  
Stephaine Parrish Taylor

## EXPERT DELPHI PANEL

Larry Abramson	Alexis Henry
Sigrid Adams	Suzanne Hutcheson
John Allegretti-Freeman	Frank Jose
Steven Baker	Sara Kendall
Becky Banks	Don Lavin
Claire Beck	Maria Monroe-Devita
Linda Carlson	Melodie Pazolt
Penny Chelucci	Rachel Post
Frank Coco	Steve Reeder
Burt Danovitz	Melissa Roberts
Kenneth Gill	E. Sally Rogers
Andrea Guest	Virginia Selleck



The VR-RRTC, a project of the Institute for Community Inclusion at the University of Massachusetts Boston, is a five-year cooperative agreement with the National Institute on Disability and Rehabilitation Research (NIDRR) and the Rehabilitation Services Administration (RSA) of the US Department of Education, Grant # H133B070001.